

Hildegard Rohm v. Vermont Mutual Insurance Company

Held October 31, 2017 – Docket No. INS-17-2073

Decision Issued: November 17, 2017

The named insured requested a hearing to contest the nonrenewal of homeowners policy for owning an unacceptable breed of dog. The company argued only that, because the dog is one of the breeds that make a home ineligible for coverage, the policy no longer meets the company's underwriting criteria.

Held: For the insured. 24-A M.R.S.A. § 3051 allows nonrenewal for a reason that is in good faith and related to the insurability of the property. Section 3054 states that the insurer must establish the existence of its reason for cancellation or nonrenewal and provide proof that the reason is related to the insurability of the property. Section 3054 further states that a "statement from the insurer that the risk does not meet the insurer's underwriting guidelines alone is not considered sufficient proof or evidence." Although the company referenced dog bite data maintained by the insurance industry, it presented no documentation or specifics, and offered no other explanation of how the dog's breed affected the insurability of the property. Additionally, the company conceded that the Rohms' dogs do not appear to present the same risk as the breed in general.